

Declass Review by
NIMA/DOD

[Redacted]
Copy 6

MEMORANDUM FOR: Deputy Director for Intelligence

SUBJECT: Additional Costs to Contract [Redacted] with
[Redacted] (Advanced Stereo Rhomboids)

1. This memorandum requests approval for the commitment of additional funds from past year funds for an existing contract. The specific request is stated in Paragraph 6.

2. In Fiscal Year 1968, WPIC contracted with [Redacted] for the development of an Advanced Stereo Rhomboid under the subject contract at a proposed cost of [Redacted]. In August 1968 and May 1969, minor amendments, encompassing both overruns and change-in-scope, were made to the contract adding [Redacted] for a total commitment to date of [Redacted]. This instrument will allow the P.I. to utilize either the Zoom 70 or Zoom 240 stereoscopes in the microstereoscopic mode thereby achieving greater image quality than previously available. It will also have the capability of permitting binocular viewing through each rhomboid optical path.

4. The development effort was divided into two phases: Phase I -- complete design included the production of all drawings; and Phase II -- fabrication of one prototype unit. Phase I was successfully completed with the delivery of a wooden mockup and a technical report. These were

25X1
Excluded from automatic
downgrading and
declassification

~~TOP SECRET~~

SUBJECT: Additional Costs to Contract [redacted] with [redacted] (Advanced Stereo Rhomboids)

evaluated by both the technical and operational offices and determined to be satisfactory. Approval was given to fabricate the instrument which at this date is almost completed. During the final optical alignment of the instrument, the contractor experienced unanticipated difficulties in eliminating optical flare and correcting other optical deficiencies. If these are not corrected, the optical system would not be satisfactory for NPIC's operational requirements. For these reasons, it is strongly recommended that [redacted] of additional funding, which includes no fee, be approved to rectify these deficiencies. Specifically, the contractor will: (1) analyze the existing objective optical design to determine if recently developed optical design techniques can improve the design; (2) remake the optical switching mechanism; and (3) redesign the technique of mounting, thereby allowing simultaneous alignment of both optical paths. Additionally, certain lens elements whose curvatures are in error will be remade and a new lens centering technique will be established. The contractor presented six alternative methods to complete the instrument and the above was evaluated to have the greatest probability of technical success.

5. The contractor estimates that the probability of success of this program is greater than 85%; however, the contractor assumes all the risk of possible failure because of their agreement to accept a cost ceiling, which in effect requires the contractor to deliver the prototype in accordance with the present development objectives regardless of the final costs. Because the contractor has produced a very good design -- superior in some respects to that required by the original development objectives -- NPIC believes the total increased cost is justifiable in view of unanticipated problems which require a solution. In addition, these steps offer the possibility of producing a design that will be less expensive to produce in production quantities.

6. It is requested that approval be granted to allocate to [redacted] from Fiscal Year 1968 funds as additional costs to the Advanced Stereo Rhomboid Development.

ARTHUR C. LUNDAHL

Director

National Photographic Interpretation Center

Attachments:

Cost Summary Sheet

Letter re Cost Ceiling
Letter re "Probability of Success" factors
Cost Summary Sheet
Modification Proposal

APPROVED: [redacted]

Deputy Director for Intelligence

Date [redacted]

~~TOP SECRET~~

25X1

Approved For Release 2003/04/17 : CIA-RDP78B05171A000800060046-6

TOP SECRET

SUBJECT:

Additional Costs to Contract

with

(Advanced Stereo Rhomboids)

25X1

Distribution:

- Copy 1 - NPIC/TSSG/C&PS (After approval) w/atts
- Copy 2 - DDI w/o atts.
- Copies 3 & 4 - NPIC/ODir w/o atts.
- ~~Copy 5 - NPIC/TSSG/C&PS~~
- Copy 6 - NPIC/TSSG/DDI w/o atts.

TOP SECRET

25X1

25X1

Approved For Release 2003/04/17 : CIA-RDP78B05171A000800060046-6

Approved For Release 2003/04/17 : CIA-RDP78B05171A000800060046-6